

Message

From: Smidinger, Betsy [Smidinger.Betsy@epa.gov]
Sent: 6/14/2017 4:00:20 AM
To: Buhl, Rick [Buhl.Rick@epa.gov]
CC: Hageman, James [hageman.james@epa.gov]; Vranka, Joe [vranka.joe@epa.gov]; Leclerc, Russell [Leclerc.Russell@epa.gov]; Coleman, Charles [COleman.Charles@epa.gov]; Quick, Danette [Quick.Danette@epa.gov]; Mills, Bethany [Mills.Bethany@epa.gov]; Stavnes, Sandra [Stavnes.Sandra@epa.gov]; Kortuem, Patrice [Kortuem.Patrice@epa.gov]; Murray, Bill [Murray.Bill@epa.gov]
Subject: Re: Anaconda Smelter - SRO Signature on Decision Memorandum

Hi Rick - Thank you for bringing this to my attention. I will check in with Bill, Russ and Joe to get more information and will get back to you.

Betsy

Sent from my iPhone

Betsy Smidinger
ARA, Ecosystems Protection and Remediation
Region 8, US EPA
Denver, CO
(303) 312-6231 (o)
(303) 335-7627 (c)

On Jun 13, 2017, at 4:54 PM, Buhl, Rick <Buhl.Rick@epa.gov> wrote:

Betsy,

Danette Quick copied me on the upcoming request for SRO signature on the Anaconda Smelter IA. I have not reviewed all of the information Danette sent yet, but a cursory review shows that for this IA, the indirect costs are 34% of the total (\$174K of \$507K). This is a very high indirect rate. Notwithstanding the fact that USGS has been doing this work for an extended period of time, the SRO signature is a certification that this is a cost effective way to do this work. I am looking to the ARAship to document why this high of an indirect rate is reasonable (market research that shows a comparable contractor performing the service, or a grant to a state, etc would be higher overall cost (the goal is not just to reduce the indirect rate, but the overall cost)). As a comparison, in other IAs, I see overhead/indirect rates that are below 10%.

The other Anaconda IA I signed last year is for BOR, and my recollection is that was closer to 50% indirect/overhead rate. I am attaching the email I sent to Martin, et al on the BOR IA. If the indirect rate is still as high as last year, I will be looking for a similar justification that it represents the best value to the government based on some kind of market research.

When I receive an IA (or grant) for SRO signature we are usually pretty far down the road and the work needs to get done. This makes it very difficult for the program to change directions or even get me any additional information. We are working on fixing this process for grants, and still need to do this for IAs although that is difficult because we lost our IA processing staff to consolidation. In the interim, I am relying on each ARAship to not just conduct business as usual, but to look at IAs (and grants as applicable) to ensure that they are the most effective approach to getting the work done.

Please let me know if you would like to discuss further.

Thanks.

Rick

Rick Buhl

Assistant Regional Administrator, Office of Technical and Management Services

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Need a Meeting? Contact Sifa M. Kajiru-Edwards at 303-312-6017

From: Quick, Danette

Sent: Tuesday, June 13, 2017 7:43 AM

To: Mills, Bethany <Mills.Bethany@epa.gov>

Cc: Buhl, Rick <Buhl.Rick@epa.gov>; Hageman, James <hageman.james@epa.gov>; Vranka, Joe <vranka.joe@epa.gov>; Leclerc, Russell <Leclerc.Russell@epa.gov>; Coleman, Charles <COleman.Charles@epa.gov>

Subject: Anaconda Smelter - SRO Signature on Decision Memorandum

Hi Bethany,

Charlie Coleman is working on a Decision Memorandum to increase Interagency Agreement DW-14-92388901 and it will require SRO signature because it is over \$1 million cumulatively. Last year you requested the SOW for review before the DM was sent to Rick for signature. Since I'm not sure if the process has changed or not, I have attached the SOW, Amendment 17 to the AOC and documentation of payment received to give you some background information on why this Interagency Agreement is in place. The Responsible Party cannot fund USGS directly, who has been performing surface water monitoring in the Clark Fork Basin for years, which includes Anaconda.

The DM will be routed as soon as the commitment notice is final.

Please contact me if you have any questions or if the process has changed.

Thank you,

Danette

Danette Quick

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